



6714-01-P

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Information Collection Activities: Proposed Collection Renewal; Comment Request (OMB No. 3064-0162)

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Notice and request for comment.

SUMMARY: The FDIC, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on the renewal of an existing information collection, as required by the Paperwork Reduction Act of 1995 (PRA). Currently, the FDIC is soliciting comment on renewal of the information collection described below.

DATES: Comments must be submitted on or before **[INSERT DATE 60 DAYS FROM PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES: Interested parties are invited to submit written comments to the FDIC by any of the following methods:

- <https://www.FDIC.gov/regulations/laws/federal>.

- Email: comments@fdic.gov. Include the name and number of the collection in the subject line of the message.
- Mail: Manny Cabeza (202-898-3767), Counsel, MB-3007, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.
- Hand Delivery: Comments may be hand-delivered to the guard station at the rear of the 17th Street Building (located on F Street), on business days between 7:00 a.m. and 5:00 p.m.

All comments should refer to OMB control number 3064-0162. A copy of the comments may also be submitted to the OMB desk officer for the FDIC: Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Manny Cabeza, Counsel, 202-898-3767, mcabeza@FDIC.gov, MB-3007, Federal Deposit Insurance Corporation, 550 17th Street NW, Washington, DC 20429.

SUPPLEMENTARY INFORMATION:

Proposal to renew the following currently approved collection of information:

Title: Large Bank Deposit Insurance Program.

OMB Number: 3064-0162.

Form Number: None.

Affected Public: Insured depository institutions having at least \$2 billion in deposits and at least either: (a) 250,000 deposit accounts; or (b) \$20 billion in total assets, regardless of the number of deposit accounts (a “covered institution”).

Burden Estimate:

Summary of Annual Burden

	Type of Burden	Obligation to Respond	Average Estimated Number of Respondents	Estimated Time per Response	Frequency of Response	Average Total Annual Estimated Burden
Implementation						
Posting and removing provisional holds – 360.9(c)(1) and (2)	Recordkeeping	Mandatory	8	150 hours	One time	1,200 hours
Providing standard data format for deposit account and customer information – 360.9(d)(1)	Recordkeeping	Mandatory	8	110 hours	One time	880 hours
Notification of identity of person responsible for producing standard data downloads – 360.9(c)(3)	Reporting	Mandatory	8	8 hours	One time	64 hours
Request for exemption from provisional hold requirements – 360.9(c)(9)	Reporting	Voluntary	1	20 hours	On occasion	20 hours
Provide deposit account and customer information in required standard format – 360.9(d)(3)	Reporting	Mandatory	8	40 hours	On occasion	320 hours
Request for extension of compliance deadline – 360.9(e)(7)	Reporting	Voluntary	1	20 hours	On occasion	20 hours
Request for exemption – 360.9(f)	Reporting	Voluntary	1	20 hours	On occasion	20 hours
Total Implementation Burden						2,524 hours
Ongoing						
Notification of identity of person responsible for producing standard data downloads – 360.9(c)(3)	Reporting	Mandatory	153	8 hours	On occasion	1,224 hours

Request for exemption from provisional hold requirements – 360.9(c)(9)	Reporting	Voluntary	1	20 hours	On occasion	20 hours
Request for exemption – 360.9(f)	Reporting	Voluntary	1	20 hours	On occasion	20 hours
Test compliance with 360.9(c)-(d) pursuant to 360.9(h)	Reporting	Mandatory	81	80 hours	On occasion	6,480 hours
Total Ongoing Burden						7,744 hours
Total Estimated Annual Burden						10,268 hours

General Description of Collection: Upon the failure of an FDIC-insured depository institution, the FDIC must determine the total insured amount for each depositor. 12 U.S.C. 1821(f). To make this determination, the FDIC must ascertain the balances of all deposit accounts owned by the same depositor in the same ownership capacity at a failed institution as of the day of failure. The FDIC issued a regulation (12 CFR 360.9) to modernize the process of determining the insurance status of each depositor in the event of failure of a covered institution. The regulation requires covered institutions to adopt mechanisms that would, in the event of the institution's failure (1) provide the FDIC with standard deposit account and other customer information, and (2) allow the placement and release of holds on liability accounts, including deposits. The regulation applies only to covered institutions and imposes the following recordkeeping and reporting requirements:

Recordkeeping -

360.9(c)(1) and (2) – *Posting and Removing Provisional Holds*. Covered institutions must have an automatic process for placing a provisional hold on deposit accounts within timeframes specified in FDIC regulations.

360.9(d)(1) and (2) – *Providing Standard Data Format for Deposit Account and Customer Information*. Covered institutions must produce information in the specified standard data format.

Reporting –

360.9(c)(3) – Covered institutions must notify the FDIC of the person(s) responsible for producing required standard data downloads and for administering provisional holds.

360.9(c)(9) – A covered institution may request an exemption from the provisional hold requirements for certain account systems servicing a relatively small number of accounts where manual application of provisional holds is feasible.

360.9(d)(3) – Upon request by the FDIC, a covered institution must submit the data required by 360.9(d)(1) .

360.9(e)(7) – A covered institution may request an extension of the deadline to comply with provisional hold and standard data format requirements.

360.9(f) - A covered institution may request an exemption from the provisional hold and standard data format requirements due to high concentration of deposits incidental to credit card operations.

360.9(h) – A covered institution’s compliance with the recordkeeping and reporting requirements set forth in the rule will be tested by the FDIC.

Burden Estimate Methodology and Assumptions:

The FDIC is revising its burden estimate because the number of covered institutions has decreased due to economic fluctuations and most covered institutions have already implemented the requirements of the regulation and will only face reduced ongoing compliance burdens. Based on FDIC Call Report data¹, the regulation currently applies to 145 institutions. The FDIC has determined that in the past, between 1 and 3 new institutions per quarter have become covered under the regulation. FDIC estimates that on average, 2 new institutions per quarter (8 new institutions per year) will become covered and be subject to initial implementation burden. The following table reflects the FDIC's estimate of the breakdown of covered institutions facing implementation and ongoing burden during the next three years:

Number of Institutions				
	Year 1	Year 2	Year 3	Average
Implementation	8	8	8	8
Ongoing	145	153	161	153
Total	153	161	169	161

All covered institutions will be required to comply with the requirements of 360.9(h). FDIC estimates that half of the covered institutions will be tested for compliance each year. As a result, it is estimated that an average of 81 covered institutions will be affected by this reporting burden annually. No institutions have requested an extension under section 360.9(e)(7), or exemptions under sections 360.9(c)(9) or 360.9(f). The "Summary of Annual Burden" table above lists a respondent count of 1 for these requests as placeholders to preserve the burden estimates for these activities.

¹ FDIC Call Report, September 30, 2017

Request for Comment

Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the FDIC's functions, including whether the information has practical utility; (b) the accuracy of the estimates of the burden of the information collection, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. All comments will become a matter of public record.

Dated at Washington, DC, on April 24, 2018.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Executive Secretary.

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